Multifamily Landlord Buy Down Guidance

<u>Landlord Buy Downs</u> -- *Money contributed by a multifamily builder owner towards individual measure(s) that allow WAP measure expenditure SIR(s) and a cumulative SIR of 1.0 or greater (Policy Manual 3.3.4).*

For example, a measure has a total cost of $10,000 and a calculated SIR of .4. A WAP expenditure of $4,000 (.4*$10,000) yields an SIR of 1.0. The landlord buy down must be at least $6,000 ($10,000-$4,000).

<u>Landlord Buy Downs of Individual Measure(s) in Weatherization Assistant (WA)</u>

1. After work orders are created in WA, change the cost of the buy down measure(s) to a WAP expenditure cost that results in a measure SIR of 1.0 or greater.
2. Use the *Show Economic Details* button to ensure that the measure(s) SIR is 1.0 or greater.
3. Create an additional work order measure for the landlord buy down. The cost of the measure(s) should be the difference between the total cost of the measure(s) and the WAP expenditure on the measure(s).
   o Indicate in the measure name and comments that the measure(s) is the landlord buy down portion of the corresponding measure.
   o Select the Measure Type of the corresponding Energy Conservation Measure. For example, *HVAC Systems* or *Doors and Windows.* (This ensures the buy down is included in the cumulative job SIR).
   o Select Cost Center *Landlord Contribution*.
4. Use the Client Measure and job SIR report to ensure that the cumulative job SIR is 1.0 or greater.

<u>Landlord Buy Downs of Individual Measure(s) in EA-QUIP</u>

- Two EA-QUIP audits are required, the original audit and a copy of the original audit.
- The original audit includes the **total** measure cost of each measure. It establishes the order of recommended measures, ensures a cumulative SIR of 1.0 or greater, and serves as a reference.
- The copy audit includes only **the amount of WAP funds** expended on each individual measure.
   o The copy audit is used to calculate the amount of landlord buy down required to achieve individual measure SIRs of 1.0 or greater. This is done by determining the amount of WAP funds that can be expended to generate individual measure SIRs and a cumulative Job SIR of 1.0 or greater.

Prerequisites

- A completed and trued up EA-Quip audit. *See EA-QUIP True Up Guidance*
- Bid prices for the buy-down items are entered into the *Building List -> Retrofit Cost Component* costs in EA-QUIP. *Save your entries to ensure they are not lost.*

Procedure

1. Download the audit data as a Word document to ensure that no data is lost.
2. Export the original heating fuel data to your desktop.
3. For each individual measure with an SIR under 1.0 that will be completed, calculate the amount of landlord buy down required to yield individual measure SIRs of 1.0 or greater, based on *the WAP expenditure*.
4. On the Building List page, press the *Copy from Existing Building* button.
   a. Rename the copy audit to denote it as a copy of the original building
   b. Import the renamed fuel data into the copy audit
   c. Rename the heating fuel data with the copy audit's name
5. Enter the WAP Expenditures for the landlord buy down measures in the *Building List -> Retrofit Cost Component* drop down. *Save your entries to ensure they are not lost.*
6. Run the copy audit.
7. Review the individual measure SIR(s) and the cumulative job SIR to ensure they are 1.0 or greater.
8. Save the copy audit run to Word.